

2001 DRAFTING REQUEST**Senate Amendment (SA-SB55)**Received: **05/29/2001**Received By: **kuesejt**Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau 6-9915**By/Representing: **Renner**This file may be shown to any legislator: **NO**Drafter: **kuesejt**

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Subject: **State Government - miscellaneous**

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Requester's email:

Pre Topic:

LFB:.....Renner -

Topic:

State procurement services financing and funding

Instructions:

Per paper #141, alts. A1, B2 and C3.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kuesejt 05/30/2001	gilfokm 05/30/2001		_____			
/1			pgreensl 05/31/2001	_____	lrb_docadmin 05/31/2001		
/2	kuesejt 06/10/2001	wjackson 06/10/2001	kfollet 06/10/2001	_____	lrb_docadmin 06/11/2001		

06/11/2001 08:16:31 AM

Page 2

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Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

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/1	1/2 kuesejt 6/11	1/2 wj 6/10	pgreensl 05/31/2001		lrb_docadmin 05/31/2001		
			6/11	6/10			

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Page 1

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1/1	kuesejt	SPD 1-5/30-01 King	5/30 PG	5/31 pg 19F			

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Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

Date: May

DELIVER TO: Jeff Keusel

Addressee Fax #: _____ Addressee Phone #: _____

of Pages, Including Cover: 12 Sender's Initials: DR

From: Darin Renner

Message:

On paper #141 AI / B2 / C3 was approved
I think I capture the gist of this. (under C3) but if
you have a recommendation on how to better word this that
would be great.
Motion #813 relates to paper #141 - and just requires
some session law modifications
procurement services financing
and funding
state procurement audit

Darin



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 23, 2001

Joint Committee on Finance

Paper #141

Division of State Agency Services -- Conversion to Program Revenue (DOA -- Agency Services and Program Supplements)

[LFB 2001-03 Budget Summary: Page 66, #1 and Page 525, #2]

CURRENT LAW

The current GPR-funded functions of the DOA's Division of State Agency Services consist of a portion of the Administrator's office, a portion of Wisconsin Air Services administration and the entire Bureau of Procurement. The operating budget for these functions is \$1,983,700 GPR annually and 26.25 GPR positions.

GOVERNOR

Authorize DOA to assess any agency or municipality to which it provides procurement services for the costs of such services. Further specify that DOA may identify savings that have been realized by a state agency to which it provides services and may assess an agency for not more than the amount of the savings identified by the Department. Create a PR continuing appropriation under DOA to be funded by revenues from the charges to state agencies for procurement services and from assessments for procurement savings realized by the agencies receiving those services.

Delete \$1,983,700 GPR and 26.25 GPR positions in 2002-03 and provide \$671,500 PR in 2001-02 and \$3,395,800 PR and 26.25 PR positions in 2002-03 to reflect the conversion of the remaining GPR-funded portions of the Division of State Agency Services to program revenue derived from the agency charges and assessments. Under the bill, PR funding and positions would be allocated as follows: (1) \$2,024,400 PR in 2002-03 and 25.5 PR positions, funded from the procurement services assessments, to support the procurement function and a portion of the Administrator's office; (2) \$671,500 PR in 2001-02 and \$1,284,100 PR in 2002-03, funded from the procurement services assessments and budgeted in unallotted reserve, to support the

estimated master lease costs associated with a new electronic procurement system; (3) \$128,000 PR in 2002-03 and 1.75 PR positions, funded from DOA overhead cost assessments for administrative services, to support the costs of a portion of Wisconsin Air Services administration and Division support staff; and (4) minor funding and position reallocations due to the funding conversion and functional realignments, -\$40,700 PR in 2002-03 and -1.0 PR position.

Associated with this funding conversion, modify the GPR, PR and SEG program supplements appropriations for financial services under Program Supplements to permit supplemental funding for procurement services provided by DOA, except for the charges for identified procurement savings. The bill would provide \$1,332,500 GPR in 2002-03 under Program Supplements to offset increased costs for state agencies related to the procurement funding conversion. In addition, modify current GPR, PR and SEG supplemental appropriations for financial services supplements to also allow funding to be provided out of these appropriations for the purpose of providing procurement services supplements.

DISCUSSION POINTS

1. The current budget initiative to convert the state procurement function to program revenue funding that would be derived from charges to state agencies for procurement services and from assessments paid from procurement cost savings is the outgrowth of a recent review of state purchasing procedures.

2. *Potential Cost Savings through the Application of E-Procurement Procedures.* In September, 2000, DOA's Division of State Agency Services began to explore possible modifications to the state's existing procurement operations with the view of transforming the function by taking advantage of emerging electronic procurement ("E-procurement") technologies. This initial action led to the convening of an interdisciplinary team of agency procurement and IT professionals to explore current state procurement processes and develop possible alternatives to the current system

3. Later in the fall of 2000, DOA retained a consultant to analyze the state's current procurement operations and to make recommendations on how to make procurement "a more effective and efficient" process. The review and analysis of DOA's procurement functions is also an aspect of an on-going "E-government" initiative, designed to increase Internet-based government-to-government and government-to-citizen interactions.

4. On November 30, 2000, the consultant's general findings with respect to the state's purchasing processes were presented to the interdisciplinary team. The consultant's assessment determined that:

- The creation, routing and approval of requisitions and purchase orders is largely a manual process.

- The mix of manual and automated purchasing and financial systems results in redundant processes and inefficiencies. The consultant found, for example, that there was no uniformity across state agencies in their requisition, purchase order, receiving, invoicing, payment and accounting system transactions.

- Multiple levels of approval on purchasing decisions add time and complexity to the state's purchasing activities.

- The lack of standardization of commodity codes inhibits accurate reporting of purchases and makes it more difficult for the state to match up with vendors who use standardized national coding and commodity naming conventions.

- No centralized system currently exists for the state to automatically track its purchasing expenditures.

5. The consultant recommended that:

- The state implement a variety of currently available E-procurement practices, such as reverse auctions, online ordering of commodities and electronic payment for commodity purchases, all of which could reduce current state procurement processing costs and commodity purchase prices; and

- The state pursue the development of a data system to track state purchasing activity and expenditure data. This automated system could be developed either by upgrading in-house purchasing systems or by the purchase of currently available procurement software packages.

6. *Funding the DOA Procurement Function from Cost Savings.* The bill would specifically authorize DOA to assess agencies (and municipalities using DOA's services) for the costs of procurement services provided by the Department. Under this new authority, DOA could identify a portion of any savings realized by an agency from DOA-provided procurement services and then assess the agency for not more than the amount of the identified savings. This new authority would enable DOA to fund the costs associated with the procurement function funding conversion from assessments from savings deriving primarily from reverse auction-type purchases of commodities.

7. In a "reverse auction," the state would first advertise the need for a specific commodity and set a cut-off date for the submission of bids to provide the commodity. Vendors could go online and submit their lowest bid for the product; furthermore, any vendor's bid could be revised up until the time of the announced cut-off date for bids. Since each vendor would have full knowledge of all other submitted bids, they would have the option of lowering an initial bid in order to become the lowest bidder by the bid submission deadline. This type of procedure tends to produce lower prices for the purchaser (the state and participating municipalities).

8. Reverse auction procedures are currently authorized in 16 states according to a 2001 survey undertaken by the National Association of State Procurement Officials, with additional

updated information provided by DOA. Of these 16 states, only about five or six of these, including Wisconsin, are currently conducting such auctions on an ongoing basis or as pilot programs.

9. Wisconsin has been conducting reverse auctions on a pilot basis for selected commodities for at least two years. During this two-year period, the reverse auctions produced total bids of \$184,342,200 for nearly two dozen commodities. Compared to the historic bid levels for these same commodities purchased previously under competitive sealed bid procedures (\$193,744,200), the state appears to have achieved commodity net cost savings of \$9,402,000, or 4.9%, for all the items purchased through the reverse auction pilot.

10. Since agencies have budgeted their supplies and services costs based on the historic costs associated with their commodity purchases, any decreased cost of the commodity due to the use of a reverse auction procedure would result in a savings to the agency. Under the Governor's recommendation, the costs of operation of the PR-funded DOA procurement function would be supported, to a significant degree, from these types of agency savings.

11. The bill does not specify how DOA would develop an assessment mechanism to recover the costs of the procurement function from state agencies. While the Department could negotiate the amount of the assessment on a case-by-case basis, especially where a reverse auction might produce important cost savings, DOA would most likely impose a uniform fee on the amount of the agency purchase order. In theory, the individual agencies would be able to fund the costs of the charge from the cumulative savings generated during the fiscal year from the reverse auction process. Or, a slightly higher fee might have to be developed and applied only to those purchases where the use of reverse auction techniques would be feasible.

12. DOA has developed projections, based on total state agency purchase order activity, to determine whether a uniform procurement fee of 0.35% applied to the amount of agency purchase order activity would be sufficient to fund the Department's projected procurement operations costs. These projections were applied to executive branch agencies, based on 1999-00 fiscal year purchase order activity. These projections assume cumulative procurement savings by an agency equivalent to 1% per year from which the procurement fee would be funded. The projected net savings accruing to the agency are also identified. These projections are presented in Table 1:

TABLE 1

1999-00 Agency Purchasing Expenditures, Proposed Fee Amounts and E-Procurement Savings

<u>Agency</u>	<u>FY 00 Purchase Order Activity</u>	<u>0.35% Procurement Fee</u>	<u>1.0% Procurement Savings</u>	<u>Estimated Net Savings (Savings - Fee)</u>
University of Wisconsin System	\$276,479,419	\$967,678	\$2,764,794	\$1,797,116
Health and Family Services	219,137,971	766,983	2,191,380	1,424,397
Transportation	112,068,523	392,240	1,120,685	728,445
Correction	101,299,872	354,550	1,012,999	658,449
Administration	84,319,716	295,119	843,197	548,078
Workforce Development	66,913,711	234,198	669,137	434,939
Revenue	42,052,912	147,185	420,529	273,344
Natural Resources	32,557,709	113,952	325,577	211,625
Public Instruction	24,230,644	84,807	242,306	157,499
Educational Communications Board	8,779,752	30,729	87,798	57,068
Agriculture, Trade and Consumer Protection	7,605,412	26,619	76,054	49,435
Tourism	6,895,207	24,133	68,952	44,819
Justice	6,491,925	22,722	64,919	42,198
Veterans Home	6,448,118	22,568	64,481	41,913
Employee Trust Funds	5,243,467	18,352	52,435	34,083
Public Defender	4,863,067	17,021	48,631	31,610
Commerce	4,580,781	16,033	45,808	29,775
Military Affairs	4,237,217	14,830	42,372	27,542
Insurance	3,652,139	12,782	36,521	23,739
State Fair Park	3,310,070	11,585	33,101	21,515
Investment Board	2,283,921	7,994	22,839	14,845
Financial Institutions	2,113,206	7,396	21,132	13,736
Veterans Affairs	1,525,443	5,339	15,254	9,915
Public Service Commission	1,036,354	3,627	10,364	6,736
Employment Relations	721,462	2,525	7,215	4,690
Regulation and Licensing	577,575	2,022	5,776	3,754
State Treasurer	476,027	1,666	4,760	3,094
Board of the Commissioner of Public Lands	180,709	632	1,807	1,175
Secretary of State	75,878	266	759	493
Ethics Board	45,851	160	459	298
Personnel Commission	26,177	92	262	170
TOTAL	\$1,030,230,235	\$3,605,805	\$10,302,303	\$6,696,495

13. DOA believes that perhaps only about one-third of agency procurements might actually be susceptible to reverse auction procurements from which potential savings might be realized. If this is the case, the actual DOA procurement fee, if set as a uniform percentage and applied only to reverse auction procurements, would need to be set at a rate of approximately 1.0%

of the amount of the affected purchase in order to generate the required level of funding.

14. A possible fee of approximately 1.0% does not appear to be out of line with the types of procurement fees being charged in the half dozen other states with E-procurement procedures. Based on the 2001 state procurement survey undertaken by the National Association of State Procurement Officials, these fee structures range from 0.5% to 2.71% per transaction, with a majority of the fees clustering in the 0.8% to 1.25% range.

15. Because of: (a) the uncertainty concerning how the procurement fees might be established; and (b) the potential amounts involved, the Committee may conclude that legislative review of the methodology to be used by DOA to determine the fee may be appropriate. If the proposed funding conversion is approved, the Department could be directed to submit its methodology for determining the procurement fees and assessments to the Legislature for approval as an administrative rule.

16. *Uncertainties Concerning DOA's Ability to Fully Fund the Procurement Funding Conversion.* The bill would permit state agencies to be supplemented for the costs of procurement services provided by DOA, other than for charges that would be paid from any identified procurement savings. A total of \$1,332,500 GPR in 2002-03 would be provided under Program Supplements for this purpose. Supplements from the appropriate PR and SEG accounts could also be provided to agencies supported from those funding sources.

17. The rationale for reserving the supplemental funding is that the implementation of E-procurement procedures to all state agencies will be a considerable undertaking (even granting that the agency will have all of 2001-02 to begin this task) and that full, initial success in achieving the desired cost savings from the outset cannot always be assured. Further, during a period of budgetary constraints, agencies may choose to eliminate some discretionary procurements, which might make it more difficult to realized the desired level of savings.

18. Other, longer range uncertainties include the fact that after the initial one or two rounds of reverse auction-type procurements for certain commodities, most of the potential for additional cost savings to state agencies will arguably have been achieved and relatively few additional significant savings would be anticipated. Further, if agencies consistently achieve savings on their supplies and services budget lines, there is also the question of whether the Legislature would allow agencies to retain these savings or delete these amounts from agencies' budgets. In any case, the supplementation concern appears to be more of an issue for this fiscal biennium, as agencies would likely budget for the costs of DOA procurement services in future biennia.

19. DOA staff are committed to making the E-procurement initiative work, and there is certainly reason to believe that during the near term, at least, important commodity cost savings are still possible from the reverse auction and other approaches. Additionally, with total purchase order activity among executive branch agencies exceeding \$1 billion annually, only relatively modest procurement savings are actually required to fully fund the procurement conversion at the proposed budget levels.

20. Given these considerations, if the Committee chooses to authorize the funding conversion, it may wish to consider what level of additional funding, if any, it wishes to budget under Program Supplements to support the costs of state agencies' unfunded DOA-provided procurement services.

21. The bill would provide \$1,332,500 GPR for this in 2002-03 to fund shortfalls incurred by GPR-funded agencies. Assuming that a fee would be charged to executive branch agencies sufficient to generate a minimum of the \$3,308,500 budgeted in 2002-03 to support the DOA procurement services function, a total of \$1,024,000 GPR in 2002-03 would actually appear to be required to supplement GPR-funded agencies. This reduction of \$308,500 GPR in 2002-03 is based on the GPR base level funding split for all state operations appropriations.

$$1,332,500 - 1,024,000 = 308,500$$

Comparison of
state operations
funding

22. The Committee could also conclude that agencies with purchase order volume in excess of \$100 million annually [UW System, Health and Family Services, Transportation and Corrections] should be able to achieve sufficient savings under the new E-procurement approaches to fund the required DOA fees and assessments without the need for an additional supplementation. Based on this alternative, \$2,489,100 in procurement fees would likely be generated from the four largest executive branch agencies, and \$819,400 would likely be generated by all the remaining smaller agencies.

$$2,489,100 + 819,400 = 3,308,500$$

23. It could be argued that the smaller agencies might not have either the mix of commodity types or the volume of purchases to generate the required level of savings to fund the DOA assessments; consequently, these smaller agencies should be able to seek a supplement, if required, to fund the DOA procurement charges. Based on the GPR funding split for the state operations appropriations supporting these smaller agencies, a total of \$280,800 GPR in 2002-03 would need to be reserved under Program Supplements. Compared to the Governor, this would represent a reduction of \$1,051,700 GPR in 2002-03.

$$219,400 \times .347 = 280,800$$

portion not related to largest 4 agencies

24. Alternatively, the Committee could provide no additional Program Supplements funding, thereby requiring agencies to pay DOA charges and assessments from base level funding. DOA would also have the option of seeking additional statutory authority to impose additional E-procurement fees on vendors to help fund the initiative.

25. *DOA Procurement Services Appropriation.* The new PR-funded procurement services appropriation would be established as a continuing appropriation. Under a continuing appropriation, legislative oversight of expenditures is lessened because the dollar amounts in the appropriation schedule are merely estimates of the amount of funds that the agency expects to spend for these purposes. By having a continuing appropriation, expenditures that agencies wish to make are not limited to any legislatively-established appropriation level. Rather, an agency may expend as much as the accumulated revenue level in the appropriation will allow. Further, depending on the purpose of the appropriation, an agency may collect the full costs of its operation through chargebacks to users of its services at whatever level of expenditures are actually made. Consequently, the dollar amounts which the Legislature includes in the appropriation schedule do not serve as a limit on the amount that an agency can actually expend for the purpose of the appropriation.

26. DOA believes that having a PR continuing appropriation for the procurement services function would be desirable because of the inherent uncertainties with respect to establishing the new system. This is particularly the case where costs of developing a new system cannot be fully determined in advance. Since no legislative approval would be required for increased expenditures above budgeted levels, the Department could make any expenditure from the appropriation that it considers necessary to carry out its procurement-related responsibilities.

27. It could be argued that creation of a continuing appropriation would greatly lessen the Legislature's ability to review, monitor and evaluate the financial status of the appropriation. Further, the 14-day review process under s. 16.515 is always available to provide for increased expenditure authority for annual appropriations. If the Committee believes that these considerations have merit, it could modify the bill to change the continuing appropriation to an annual appropriation.

28. However, since the agency's procurement services initiative is a major initiative and budgetary uncertainties are likely, particularly during the implementation stage, the Committee could also consider the option of authorizing the establishment of a biennial appropriation for the new procurement services function. Under a biennial appropriation, funds appropriated in the first fiscal year but unexpended remain available for expenditure in the second fiscal year. At the end of the two-year period, any remaining funds lapse to the source fund. Creation of a biennial appropriation for the procurement services function would provide DOA with additional expenditure flexibility, while the Legislature would have the assurance that no more than the amounts appropriated for the entire biennium would be expended.

28. *Funding for an Electronic Procurement System.* Funding of \$671,500 PR in 2001-02 and \$1,284,100 PR in 2002-03 is budgeted in unallotted reserve for the estimated costs associated with master lease payments for a new electronic procurement system. The Department is uncertain whether it will upgrade an existing system or purchase a currently available software package. Since these decisions will impact the budgeted costs of the procurement services funding conversion and will affect the amount of the procurement fee that will need to be established to recover the Department's procurement services costs, the Committee may wish to reserve the electronic procurement system funding in its s. 20.865(4)(g) supplemental appropriation for release to the Department under s. 16.515 procedures, pending the agency's determination of its actual funding needs for an electronic procurement system.

ALTERNATIVES TO BILL

A. Procurement Services and Related Funding Conversion

1. Approve the Governor's recommendation to: (a) authorize DOA to assess agencies for the costs of procurement services including a portion of identified procurement savings; (b) delete \$1,983,700 GPR and 26.25 GPR positions in 2002-03 and provide \$671,500 PR in 2001-02 and \$3,395,800 PR and 26.25 PR positions in 2002-03 to convert the remaining GPR-funded portions of the Division of State Agency Services to program revenue; and (c) budget \$671,500 PR

in 2001-02 and \$1,284,100 PR in 2002-03 of the above amounts in unallotted reserve for the estimated costs associated with anticipated master lease payments for a new electronic procurement system.

2. Modify the Governor's recommendation by: (a) directing DOA to submit its methodology for determining the procurement fees and assessments to the Legislature for approval as an administrative rule; and (b) transferring \$671,500 PR in 2001-02 and \$1,284,100 PR in 2002-03 from DOA's procurement services appropriation to the Committee's s. 20.865(4)(g) appropriation for release to the Department under s. 16.515 procedures, pending the agency's determination of its actual funding needs for an electronic procurement system.

3. Maintain current law.

<u>Alternative A3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Bill)	\$1,983,700	- \$4,067,300	- \$2,083,600
2002-03 POSITIONS (Change to Bill)	26.25	- 26.25	0.00

B. Appropriation Type

1. Approve the Governor's recommendation to create a PR continuing procurement services appropriation under DOA funded from procurement assessments and charges.

(2.) Modify the Governor's recommendation by creating a PR biennial procurement services appropriation under DOA funded from procurement assessments and charges.

3. Modify the Governor's recommendation by creating a PR annual procurement services appropriation under DOA funded from procurement assessments and charges.

4. Maintain current law.

C. Program Supplements Funding for State Agency Procurement Services Charges

1. Approve the Governor's recommendation to provide \$1,332,500 GPR in 2002-03 under Program Supplements to offset increased costs for state agencies related to the procurement funding conversion and to modify current GPR, PR and SEG supplemental appropriations for financial services supplements to allow funding to be provided out of these appropriations for the purpose of providing procurement services supplements.

2. Modify the Governor's recommendation by deleting \$308,500 GPR in 2002-03 to reflect a revised estimate of the supplemental funding need for GPR-funded executive branch state agencies.

Alternative C2GPR

2001-03 FUNDING (Change to Bill)

- \$308,500

3. Modify the Governor's recommendation by deleting \$1,051,700 GPR in 2002-03 to reflect a revised estimate of the supplemental funding need for GPR-funded executive branch state agencies with \$100 million or less in annual purchase order activity.

Alternative C3GPR

2001-03 FUNDING (Change to Bill)

- \$1,051,700

agencies that requested this amount in 01/02 previous

4. Delete the supplemental funding and appropriations language changes under Program Supplements.

Alternative C43GPR

2001-03 FUNDING (Change to Bill)

- \$1,332,500

Prepared by: Darin Renner

Require that only agencies with less than \$100,000,000 in purchase order activity in the previous fiscal year, as determined by DDA, would be eligible for funding supplements for e-procurement services provided by DDA.

MO# 12/02/C3

2	Burke	X	N
1	Decker	X	N
	Moore	X	N
	Shibilski	X	N
	Plache	X	N
	Wirsch	X	N
	Darling	Y	N
	Welch	Y	N
	Gard	Y	N
	Kaufert	Y	N
	Albers	Y	N
	Duff	Y	N
	Ward	Y	N
	Huebsch	Y	N
	Huber	X	N
	Coggs	X	N

MO# 11/02/C3

	Burke	X	N
	Decker	X	N
	Moore	X	N
	Shibilski	X	N
	Plache	X	N
	Wirsch	X	N
	Darling	X	N
	Welch	X	N
1	Gard	X	N
2	Kaufert	X	N
	Albers	X	N
	Duff	X	N
	Ward	X	N
	Huebsch	X	N
	Huber	X	N
	Coggs	X	N

Set 8-8

pass 16-0

2001

Date (time)
needed

SOON

LRB b

0465, 1

**LFB BUDGET AMENDMENT
[ONLY FOR LFB]**

Jrk: Kmg:

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**LFB AMENDMENT
TO 2001 ASSEMBLY BILL 144 AND 2001 SENATE BILL 55**

>>FOR JT. FIN. SUB. — NOT FOR INTRODUCTION<<

At the locations indicated, amend the bill as follows:

- ✓ #. Page 564, line 24: delete the material beginning with "All" and ending with "services," on page 565, ^{line 25} and substitute "Biennially, the amounts in the schedule".
- ✓ #. Page 565, line 3: after "16." insert "All moneys received from state agencies under s. 16.71 (6) for procurement services provided by the department to the agencies and from assessments for procurement savings realized by the agencies receiving those services shall be credited to this appropriation account."
- ✓ #. Page 585, line 24: after "(6)" insert "↓ Supplemental funding from this appropriation for assessments made under s. 16.71 (6) in any fiscal year is limited to those state agencies having total procurements of less than \$100,000,000 in the preceding fiscal year, as determined by the department of administration".
- #. Page , line : (End)



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

Date: June 10, 01

DELIVER TO: Darin Renner

Addressee Fax #: _____ Addressee Phone #: _____

of Pages, Including Cover: 3 Sender's Initials: DR

From: Darin Renner

Message:

*we need language to allow DNR
to keep 3 assigned aircraft as well.*

2001 - 2002 LEGISLATURE

LRBb0705/1
JTK:hmh:rs

LFB:.....Mason - Liquidation of certain agency-assigned aircraft

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

1 At the locations indicated, amend the bill as follows:

2 1. Page 564, line 2: after "account" insert "except that the proceeds of the sale
3 provided for in 2001 Wisconsin Act ... (this act), section 9401 (20j) shall be deposited
4 in the general fund as general purpose revenue-earned".

5 2. Page 1737, line 12: after that line insert:

6 "(20j) SALE OF CERTAIN AGENCY-ASSIGNED AIRCRAFT. The department of
7 administration shall sell all aircraft owned by the state that are assigned to the
8 department of natural resources or the department of transportation on the effective
9 date of this subsection, except aircraft purchased as a result of the action of the joint
10 committee on finance on February 12, 2001. The department of administration shall

*and three of the department of natural
resources - assigned aircraft.*

2001 - 2002 Legislature

- 2 -

LRBb0705/1
JTK:bmh:rs

- 1 deposit the proceeds of the sales in the general fund as general purpose
- 2 revenue-earned."

3

(END)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBb0465/2

JTK:kmg:pa

EWLj

SEN 6/01

LFB:.....Renner – State procurement services financing and funding

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

1 At the locations indicated, amend the bill as follows:

2 1. Page 564, line 24: delete the material beginning with “All” and ending with
3 “services,” on page 565, line 2, and substitute “Biennially, the amounts in the
4 schedule”.

5 2. Page 565, line 3: after “16.” insert “All moneys received from state agencies
6 under s. 16.71 (6) for procurement services provided by the department to the
7 agencies and from assessments for procurement savings realized by the agencies
8 receiving those services shall be credited to this appropriation account.”.

9 3. Page 585, line 24: after “(6)” insert “Supplemental funding from this
10 appropriation for assessments made under s. 16.71 (6) in any fiscal year is limited”

- 1 to those state agencies having total procurements of less than \$100,000,000 in the
2 preceding fiscal year, as determined by the department of administration".

3

~~(END)~~
Page 586, line 17: after "(6)" insert

(NOA) "Supplemental funding from this appropriation for assessments made under s. 16.71(6) in any fiscal year is limited to those state agencies having total procurements of less than \$100,000,000 in the preceding fiscal year, as determined by the department of administration." (1)

Page 587, line 19: after "(6)" insert

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(End)

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